

MEDICAREMATTERS

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MEDICARE PRESCRIPTION DRUG COVERAGE: COMPREHENSIVE ASSISTANCE FOR PEOPLE WITH LIMITED INCOMES AND RESOURCES



Due to the recent changes in the Medicare program, **The Centers for Medicare & Medicaid Services (CMS)** estimates that nearly 11 million people with limited incomes and resources will receive substantial additional help with their Medicare coverage in 2006.

In addition to the extra help for the standard Part D benefit provided to all Part D enrollees, individuals with limited incomes will receive additional premium and cost-sharing subsidies averaging almost \$2,300 per person in 2006.

- About 6.3 million people with Medicare and Medicaid will have no premium or deductible, and co-pays of as little as \$1 or \$3 per prescription. For these individuals, the Medicare benefit will pay, on average, 98 percent of their drug costs.
- About 3 million people with Medicare who are not full benefit dual-eligible, but whose incomes are less than 135 percent of the Federal Poverty Level (in 2004, \$12,569 for an individual and \$16,862 for a couple) and with limited assets, will also pay only a few dollars per prescription. Medicare will cover 96 percent of their drug costs on average.
- For about 1.6 million individuals with Medicare with incomes less than 150 percent of the Federal Poverty Level and assets up to \$10,000 (or \$20,000 if married) in 2006, the Medicare benefit will provide 15 percent co-pays with a sliding-scale premium, covering on average 85 percent of their drug costs.
- The new comprehensive drug benefit is also expected to attract more than 1 million people with limited incomes and resources who have been eligible but have not previously enrolled in Medicaid benefits (including **Qualified Medicare Beneficiary** and **Specified Low-income Medicare Beneficiary** benefits—QMB and SLMB) because of the high value of the drug benefit and Medicare's unprecedented outreach activities.

The final rules ensure that people with Medicare and Medicaid will be

notified of their entitlement to drug coverage and will be auto-assigned to a drug plan in their area. For those people with limited incomes and resources, many of whom are nursing home residents, Medicare will auto-enroll them if they have not signed up for a drug plan by mid-December.

Significant Date for People with Limited Incomes and Resources

MAY 2005

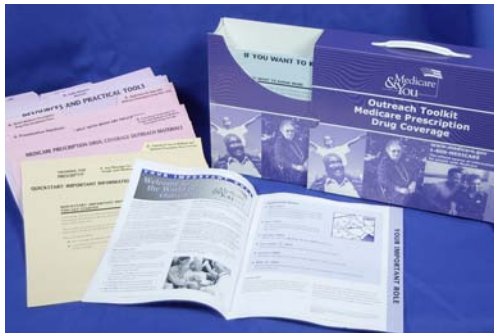
Watch your mail in late May for information from Social Security and Medicare about extra help with drug plan costs.

MEDICARE PRESCRIPTION PLAN OUTREACH TOOLKIT

The CMS National Medicare Training Team is currently developing an **Outreach Toolkit on Medicare Prescription Drug Coverage** to assist Medicare partners by providing reliable information about Medicare's new prescription drug coverage available beginning January 2006. Partners can use the toolkit to help the people they serve understand the new options and to help them enroll in a Medicare prescription drug plan that meets their needs.

The toolkit provides clear, accurate information designed to enrich the arsenal of information intermediaries—a trusted source of information in their communities—with the unique ability to connect with people where they live, work and play. The toolkit is comprised of four sections: ***Quick Start—Important Information to Help You Get Started, Medicare Prescription Drug Outreach Materials, Resources and Practical Tools***, and ***If You Want to Know More***, which provides more detailed information about key aspects of the Medicare program.

Partners can preview the toolkit online and have the choice of downloading materials or placing orders online at: **www.cms.hhs.gov/partnerships** and look for "Toolkit."



COVERAGE CLIPBOARD

MEDICARE DRUG BENEFIT OUTREACH PARTNERSHIP TO PEOPLE WITH LIMITED INCOMES AND RESOURCES

The HHS Administration for Children and Families (ACF)

which administers the

Community Action Agency program and CMS have agreed to partner for the purpose of recruiting **Community Action Agencies (CAAs)** to conduct Drug Discount Card and Drug Benefit outreach, education, and enrollment.

CAAs are non-profit private and public organizations established under the **Economic Opportunity Act of 1964** to fight America's **War on Poverty**. The approximately 1,000 CAAs provide social services to low-income families in urban and rural HUD housing developments in order to assist them in achieving self-sufficiency.

Since January, 2005 the following partnership activities have occurred:

- CMS trained the staffs of 164 community action agencies on the provisions of the Drug Discount Card by providing an overview of how they could assist with Medicare Prescription Drug Benefit outreach, education and enrollment;
- CMS encouraged the **State Community Services Block Grant Directors** to partner with CMS and support local CAA Drug Benefit outreach activities; and
- CMS staff met with the 50 Executive Directors of **Community Action Agency State Associations** to brief them on the CMS/ACF Drug Benefit partnership opportunity. ACF anticipates that most state associations will conduct some level of Medicare Drug Benefit outreach in 2005, with 11 State Association Executive Directors, representing 12 states, already agreeing to partner with CMS at their State Association meetings.

MEDICARE PRESCRIPTION DRUG COVERAGE



Preferred Terminology for Consumers

Consistency in education and outreach materials helps with clarity. To achieve consistency in explaining **Medicare Prescription Drug Coverage** to people with Medicare, use this preferred terminology list. It contains language specific to Medicare Prescription Drug Coverage that resonates well with people with Medicare. This list changes often; check back for the most updated version at www.cms.hhs.gov/partnership/tools/materials/preferredterms.pdf.

USE	INSTEAD OF
Limited income and resources	Low-income
Apply (use when talking about the extra help paying for prescriptions)	Enroll, join, sign up
Join (use when talking about getting a plan)	Apply, enroll, sign up
Coverage at least as good as	Creditable coverage; coverage as good as or better than
Preferred drug levels	Drug tiers
Medicare Prescription Drug Coverage	Medicare Prescription Drug Benefit, Part D
List of drugs the plan covers	Formulary
Guaranteed coverage	Guaranteed issue rights
At least 1% more for every month you waited to get a Medicare prescription drug plan, or you will pay more, or higher premium	Surcharge, penalty
If you find a Medicare prescription drug plan that better meets your needs, you can switch plans.	If you don't like your Medicare prescription drug plan, you can switch.
Find a plan that meets your needs...	A plan that best meets your needs, the best plan for you
Your employer will notify you	Look for a notice from your employer
Improving Medicare	Modernizing Medicare
People with Medicare	Medicare beneficiaries
People with Medicare and Medicaid	Dual Eligibles
You can choose to enroll	Enrollment is voluntary
Extra help with drug plan costs	Subsidy
People with limited incomes and resources	Low-income people or beneficiaries
Look at www.medicare.gov on the web	...on the Internet or ending a sentence with the URL (period is often confused as part of the web address)
Call 1-800-MEDICARE (1-800-633-4227)	Dropping the parenthetical number
TTY users should call 1-877-486-2048	TTY: 1-877-486-2048 or any references to TDD
Income and resources	Income and assets
Income and resources (including your savings and stocks, but not counting your home)	<i>Use to qualify "income and resources" when necessary</i>
Resources of \$11,500 for an individual and \$23,000 for a couple	Resources of \$10,000 for an individual and \$20,000 for a couple
Personalized	One-on-one, person-to-person, or individual counseling or customized
\$3600 out-of-pocket	Catastrophic
Long-term care facility, like a nursing home	Institutionalized
Family and Friends	Caregiver
Complaint	Grievance
Those who automatically qualify for extra help	Deemed
Those who must apply for extra help	Non-deemed, not deemed
Extra help, or extra help paying for prescription drugs	Low-income subsidy, LIS, or Limited-income subsidy
Help paying your premiums	MSP or Medicare Savings Programs
Medicare Health Plan (Medicare Advantage and Medicare Cost Plans)	Medicare Managed Care Plan, Medicare Advantage Plan, MA, Medicare Health Plan or Medicare Health Plan (HMO/PPO)
Medicare Health Plan with Prescription Drug Coverage	MA-PD
Special Needs Plans	Specialty Plans
42 million people with Medicare in 2005	41 million people with Medicare in 2005
You can have your state decide if you qualify for extra help instead of SSA. You can go to your local Medicaid office and apply using their application and process. But you will get a decision more quickly if you use SSA's application instead of your state's. Your local Medicaid office can help you apply with and submit SSA's application.	Use this language instead of referring people only to SSA to apply for the extra help.
A disclaimer statement such as "[Name of Document or Pub] isn't a legal document. The official Medicare program provisions are contained in the relevant laws, regulations, and rulings."	No disclaimer statement

**These terms are pending consumer testing/approval of language in the 2006 Medicare & You handbook, which will be final in June 2005. If you use this term before June 2005, it may change based on consumer testing results.*

CMS PUBLICATIONS UPDATE

The **Centers for Medicare & Medicaid Services** is currently taking pre-orders on the **CMS Publication Mailing List System** for the following pubs which are currently being developed with an expected publication date of May 2005: <http://cmsnet.cms.hhs.gov/projects/mmamcomm>.

New Publications Available in May 2005	CMS Pub. #
Fact Sheet —Medicare Prescription Drug Plan information for people with Medicare-approved drug discount cards (English and Spanish)	11104 11104-S
Fact Sheet —Medicare Prescription Drug Plan information for people with a limited income (English and Spanish)	11105 11105-S
Fact Sheet —Medicare Prescription Drug Plan information for people with Medicaid, who get Supplemental Security Income, or get help paying health care costs from a Medicare Savings Program (English and Spanish)	11106 11106-S
Fact Sheet —Medicare Prescription Drug Plan information for people with Employer or Union Coverage (English and Spanish)	11107 11107-S
Fact Sheet —Medicare Prescription Drug Plan information for people who belong to their State's Pharmacy Assistance Program (English and Spanish)	11108 11108-S
The 2005 Guide to Choosing a Medigap Policy (English and Spanish)	02110 02110-S
Introducing Medicare's New Coverage for Prescription Drugs (English and Spanish)	11103 11103-S
Searching for Answers about Medicare Prescription Drug Plans? (English)	11102
Publications Available Soon	CMS Pub. #
Medicare & You 2005 Handbook (Large Print Spanish)	10050-LP-S
The Facts about Medicare Prescription Drug Plans (English)	11065
Medicare At-A-Glance (English and Spanish)	11082 11082-S
The Facts about Medicare's New Preventive Services (English)	11096
Guide to Medicare's Preventive Services (Audio-English)	10110

Happenings

DHHS Calendar of Health Observances

MAY

National
Osteoporosis
Awareness and
Prevention Month
1-800-223-9994
www.nof.org

National
High Blood
Pressure
Education Month
301-592-8573
www.nhlbi.nih.gov

Health and Fitness
Month
President's Council
on Physical Fitness
and Sports
1-202-690-9000
www.fitness.gov

Older Americans
Month
Department of
Aging
1-202-619-0724
www.aoa.gov

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www.cms.hhs.gov/media

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